

**BOTH SIDES  
WIN POINTS  
IN I. C. CASE**

**Supreme Court Reinstates  
Suit of State for  
Back Taxes.**

**OUTLAWS OLD CLAIMS**

**Bars Accounting Prior to 1905  
—Verdict for \$15,000,000  
Impossible.**

Springfield, Ill., Oct. 28.—The Illinois Central suit by the state for back taxes tentatively placed at \$15,000,000 was sustained in the preliminary hearing of the case by the decision of the supreme court today. The effect of the decision is to send the case back to the circuit court of La Salle county for hearing on its merits. The lower court had sustained the company's demurrers and dismissed the complaint.

**Old Claims Outlawed.**  
In the decision the court ruled the claim on accounts prior to 1905 are outlawed. Under this ruling the \$15,000,000 claimed dwindles to about one million.

From 1905 the court lays down a rule for accounting by which the state, it is estimated, will receive \$2,000,000 in annual revenue from the road, instead of \$1,000,000 or less, as at present.

**Claims State Was "Milked."**  
It is the contention of Governor Deneen that for 33 years the railroad has been "milked" the state through its system of accounting for gross earnings on which it is required under the charter to pay 7 per cent to the state in lieu of other taxes.

When the state filed its bill in the La Salle county circuit court three years ago the railroad entered a demurrer to the amended bill filed later by the state. The circuit court sustained the demurrers, issuing a decree dismissing the complaint.

**State's Appeal Sustained.**  
From this decree the state appealed, and today's decision indicates the supreme court finds the complaint sufficiently tenable on its face to warrant a trial on its merits. The remaining of the case means a trial on the evidence. The date for this will be determined by the La Salle county circuit court.

**I. C. Suit Filed in 1907.**  
The suit against the Illinois Central was filed by the attorney general early in 1907 following a message of Governor Deneen to the legislature in which it was asserted that the Illinois Central had been so manipulating its accounts as to credit millions of its earnings to the non-charter lines not subject to the 7 per cent tax.

The governor at that time obtained a special appropriation from the legislature to defray the expenses of an accounting. This accounting swelled the amount which the governor had estimated to be due the state from \$5,000,000 to \$15,000,000.

**Charter Granted in 1851.**  
The history of the suit dates back to 1851, when the state granted a special charter to the road which provided—in consideration of a land grant of 2,500,000 acres—that the company should pay annually 5 per cent of its gross receipts, plus a property tax of 3/4 of 1 per cent, which should at least be equal to 7 per cent of the gross earnings on the mileage in Illinois.

**Accounting Not Correct.**

According to the charges made by the governor and the attorney general, the railroad has not only contrived the 7 per cent provision as a maximum instead of a minimum, but has failed to give the state a proper accounting since 1877, and has so arranged its rates as to credit an undue proportion of its earnings to the lines south of the Ohio river and west of the Mississippi. The total amount charged to have been concealed in this manner was placed at \$214,000,000, of which 7 per cent is \$15,000,000.

The amounts paid by the railroad under the 7 per cent provision have aggregated over \$30,000,000 since the charter went into effect and now amount to well over a million dollars a year.

**Kills Wife, Babe and Self.**  
St. Clairsville, Ohio, Oct. 28.—Blairus Nachoult, aged 25, today killed his wife and baby and shot himself.

**A NEW WORLD'S  
AVIATION MARK**  
Etampes, France, Oct. 28.—Maurice Tabuteau today broke the world's aviation record for time and distance by flying 289 miles in a six hours' continuous trip.

**THE WEATHER**

Generally fair tonight and Saturday. Continued cold tonight. Slightly warmer Saturday.

Temperature at 7 a. m., 32. Maximum in 24 hours, 44; minimum in 12 hours, 31. Precipitation in 24 hours, none. Wind velocity at 7 a. m., 15 miles. Relative humidity, at 7 p. m. 53, at 7 a. m. 72.

**RIVER BULLETIN.**  
St. Paul ..... 6 .0  
Red Wing ..... 4 .0  
Reed's Landing ..... 6 .0  
La Crosse ..... 7 .0  
Prairie du Chien ..... 9 .0  
Dubuque ..... 1.1 .0  
Le Claire ..... 4 .0  
Davenport ..... 1.1 .0

Nearly stationary stages will continue in the Mississippi river from below Dubuque to Muscatine.

J. M. SHERIER, Local Forecaster.

**ASTRONOMICAL EVENTS.**

(From noon today to noon tomorrow.)  
Sun sets 4:58, rises 6:23; moon rises 2:52 a. m. Asteroid Vesta (diameter 250,000 miles) visible and brightest (sixth magnitude) passing the head of Cetus in southeast in evening, directly south at midnight and about 50 degrees above southern horizon; planet Mars' disc, 0.997.

**THREAT IS MADE**

**Anarchist's Declaration He  
Would Blow Up Kaiser  
Alarms Belgians.**

**EVERY PRECAUTION TAKEN**

**Windows Along Streets Passed by  
German Ruler on Way to Train  
Were Kept Closed.**

Brussels, Oct. 28.—The extraordinary precautions last night to protect Emperor William and Empress Augusta Victoria when they were in the city were explained today when the police announced a letter threatening his majesty had been received at the royal palace yesterday. The letter was signed by a militant Brussels anarchist, and read:

"Since no one has had the courage to blow up the German autocrat, I have decided to throw a bomb."

**Unable to Trace Source.**  
Efforts of the authorities to arrest the writer were fruitless, and accordingly unusual steps were taken to guard against any untoward incident. All windows of houses overlooking the streets through which the royal party passed from the palace to the railway station were ordered closed temporarily and the station itself was packed with troops. The railway line for a considerable distance out of the city was guarded.

**TWELVE DEGREES  
ABOVE RECORDED**

**Nebraska Has Coldest Places in United States—Killing Frosts Are General.**

Washington, Oct. 28.—Killing frosts were general this morning in the middle states and freezing temperatures were reported in the western districts. The lowest temperature reported was 12 above zero at Valentine and North Platte, Neb.

**Several States Affected.**

Kansas City, Oct. 28.—Freezing temperatures over Missouri, Kansas, Nebraska and Iowa are reported by the weather bureau here today.

**BIG ROCKFORD FIRM  
HAS \$250,000 FIRE**

Rockford, Ill., Oct. 28.—The building occupied by the Rockford Wholesale Grocery company burned today. Employees on the upper floors were rescued by firemen. The loss is \$250,000.

**SERUM BESTS DISEASE**

**Antidote for Infantile Paralysis Causes Marked Improvement.**

Dixon, Ill., Oct. 28.—Following the arrival of two Chicago specialists at the farm of Congressman Frank O. Lowden, near Oregon, Mrs. Lowden stated that her two daughters showed marked signs of improvement. A serum, which has been found of great value in infantile paralysis, but which is difficult to obtain, was injected into the arms of the suffering heiresses of the Pullman millions soon after the arrival of the Chicago specialists and an improvement was manifested within an hour.

**FRED H. HAND STEAD AID**

Henry County Attorney Appointed Assistant Attorney General.  
Kewanee, Ill., Oct. 28.—Returning from Europe a few days ago, where he spent several months on an automobile trip, Fred H. Hand of Cambridge, Ill., was tendered an appointment as assistant attorney general of Illinois by Attorney General Stead. Mr. Hand accepted.

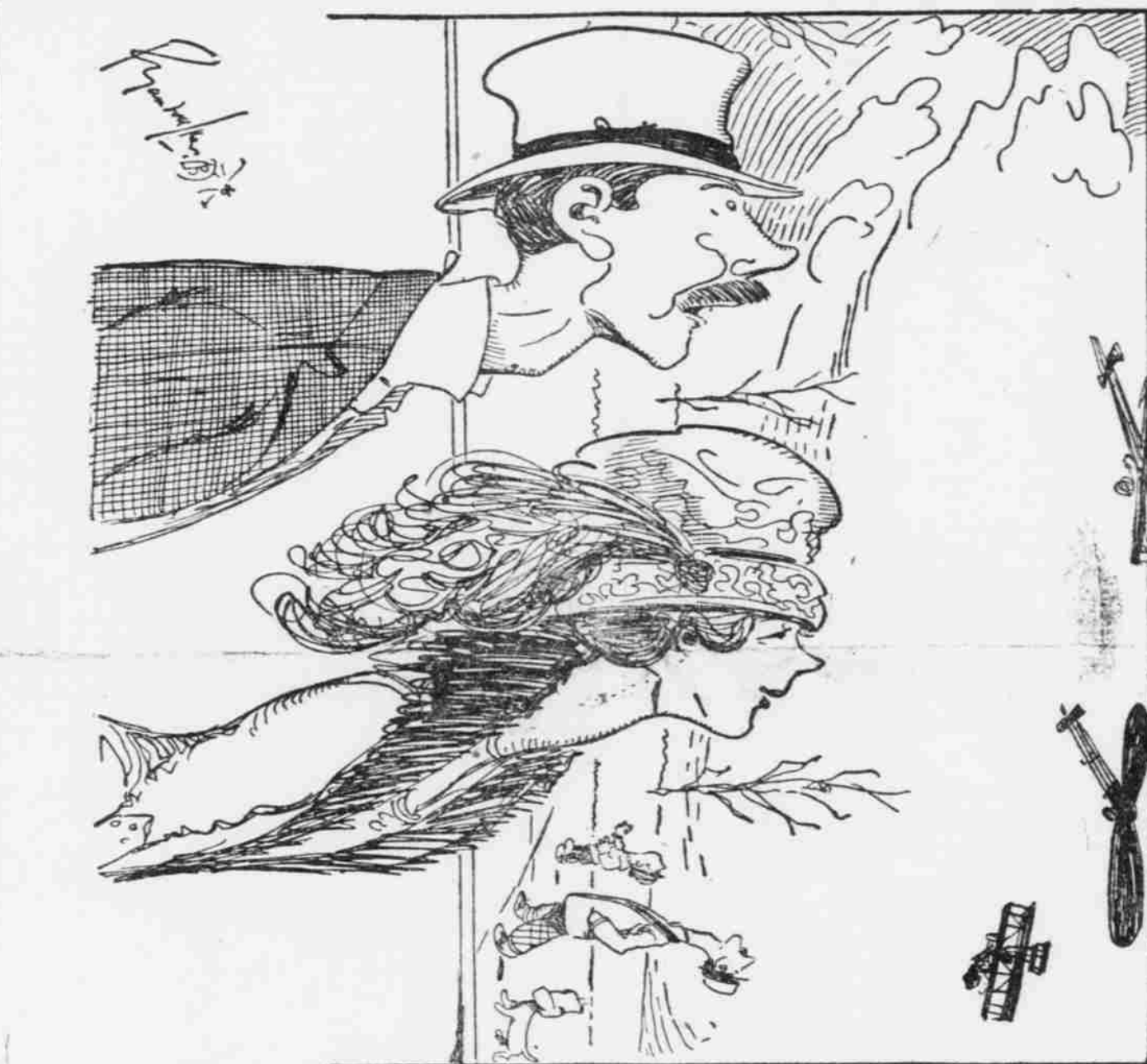
**RAILROADS  
ATTACK LAW**

**United With Express Companies Against Mann-Elkins Act**

**PASSED LAST JUNE**

**Increased Power for Commerce  
Commission Is Feature  
They Object to.**

New York, Oct. 28.—It has been definitely decided the railroad and express companies of the entire country will unite in an attack through the courts on the Mann-Elkins act, passed by congress last June at the urgent solicitation of the shippers.

**THE NEXT GENERATION**

The way our necks will grow in time if this interest in aviation continues.

tation of President Taft. The act provides for an interstate commerce court to which railroads and shippers alike may appeal.

**Do Not Oppose Court.**  
It is supposed the railroads will attack the law on the ground of constitutionality. There seems little objection to the newly established court of commerce, but strong opposition is manifested to the extension of the powers of the interstate commerce commission as provided by the new law.

**Objectionable Provisions.**  
The following provisions of the act are said to be the ones whose constitutionality is questioned by the railroad attorneys:

That portion of section 15 which confers the power upon the commission to suspend a rate for a possible period of 10 months.

That portion of section 15 which reserves to the shipper the right to route freight when taken in connection with the Carmack amendment to section 20.

**Long and Short Haul.**  
Long and short hauls and aggregate of the intermediate rate clause as contained in section 4.

The water route provision contained in section 4.  
The provision of section 15 with respect to the establishment of through routes and joint classifications and joint rates by the commission.  
The provision of section 15 imposing the burden of proof upon the carrier as to the reasonableness or justice of the increased rates.

**Sugar Down 15 Cents.**

New York, Oct. 28.—All grades of refined sugar were reduced 15 cents a hundred pounds today.

**AMERICA LOANS  
CHINA \$50,000,000**

New York, Oct. 28.—An American loan of \$50,000,000 to China has been consummated, it was learned here today. The bonds will be Chinese government bonds and will bear interest at 5 per cent.

**STUBBS RAPS  
RAIL TRICKS**

**Kansas Governor Says He Can  
Replace Every Line in State  
for \$25,000 Per Mile.**

**VALUES ARE INFLATED**

**Also Denounces Practice of Using  
Earnings to Make Permanent  
Betterments.**

Chicago, Oct. 28.—Kansas contributed the chief witnesses in the rate hearing today, Governor Stubbs, Railway Commissioner Ryan, Assistant Attorney General Muirhead and J. R. White, traffic manager of a big dry goods house at Kansas City, being on the list. The testimony was in behalf of the shippers.

**Could Rebuild for Fraction.**

Governor Stubbs declared he could reproduce at a profit to himself as a railroad contractor all the main lines of the railroads in Kansas at \$25,000 a mile and for \$10,000 a mile less reproduce the branch

**PARTY TIES  
NOT STRONG**

**Gifford Pinchot Says People Put Public Welfare First.**

**OUTLINES HIS VIEWS**

**Special Interests Control Prices  
Mainly Through a High  
Tariff.**

Detroit, Mich., Oct. 28.—Gifford Pinchot delivered an address this afternoon at a luncheon by the board of commerce. Pinchot said in part: "Since early in June I have been travelling almost continuously, and

**STATE BANKERS  
CLOSE MEETING**

**Resolutions Favor Real Estate  
Loans by National Institutions.**

**NEW ORLEANS FOR EXPO**

**Jacksonville Man Elected President  
—Richard L. Crampton of Chicago Secretary.**

Chicago, Ill., Oct. 28.—The Bankers' Association of Illinois wound up its 20th annual convention yesterday afternoon after passing a resolution urging the controller of currency to favor the passage of a law allowing national banks to loan money on real estate. The convention declared in favor of New Orleans as the logical place for holding the world's Panama exposition.

In one of the best addresses that has been given before the meeting, E. R. Gurney, vice president of the First National bank of Fremont, Neb., told the bankers what was the matter with the American banking system, in an address upon "Banking and Finance."

**Financiers Not Builders.**

Mr. Gurney said the legitimate field of finance was not construction, but consumption; that construction should be financed by capital and not by credit. He said the credit of the country had been used too much in capitalizing schemes which the future alone would tell whether they would return dividends or not, and cited the investments in worthless lands to illustrate his point.

The banks had been too easy in loaning money with the result that when stringent times came they had to draw on their reserves instead of upon their surplus, he said. He urged a strong central bank, with resources sufficient to take care of the other banks in time of need, as a means of making the finance of the country safe.

**Talks of Soil.**

One of the leading subjects before the convention was that of soil conservation and the address of Dr. Cyril G. Hopkins of the University of Illinois on "The Banker as the Guardian of the Soil" was carefully followed.

The speaker took issue with the United States bureau of soils in its bulletin, authorized by the department of agriculture, saying that the soil is the one indestructible asset that the nation possesses, that it cannot be exhausted or used up.

**Officers Elected.**

The convention elected the following officers:

President—E. E. Crabtree, Jacksonville.

Vice president—B. F. Harris, Champaign.

Chairman of the executive council—J. D. Phillips, Green Valley.

Secretary—Richard L. Crampton, Chicago.

Treasurer—F. M. Lockwood, Kankakee.

Members of the executive council—Albert J. Jackson, First National bank, Morrison; Walter B. Gillam, Farmers' State bank, Lewistown; H. H. Antrim, State bank, Freeport; W. C. Edens, Central Trust of Illinois, Chicago; O. L. Hiler, State bank of Lexington; G. H. Baker, Bussey's bank, Urbana; W. B. Turner, Farmers' National, Taylorville; W. S. Reaick, Stiles, Reaick & Co., Ashland; J. C. Elmsler, Bank of Trenton; J. F. Mackay, Bank of Grand Chain.

**NO NEW TRIAL FOR  
N. C. DOUGHERTY**

Springfield, Ill., Oct. 28.—The supreme court today denied a new trial for Newton C. Dougherty, serving a sentence in the Joliet penitentiary on conviction of embezzling Peoria school funds.

**PORTUGAL SPLITS  
CHURCH AND STATE**

Lisbon, Oct. 28.—Separation of church and state was announced in a decree by the provisional government today. Another decree declares for freedom of the press.

**GARMENT STRIKE  
AT CHICAGO GROWS**

Chicago, Oct. 28.—More than 2,000 tailors joined the ranks of the striking garment workers today, bringing the number now out on strike to 25,000. It was predicted that by Monday 40,000 men and women would be on strike.

**LUTHER LEAGUERS MEET**

Philadelphia Man Chosen President at Pittsburgh Meeting.

Pittsburgh, Oct. 28.—The Lutheran League of America, which is holding its ninth annual convention here, elected these officers yesterday:

President—W. C. Stoeber, Philadelphia.

General secretary—Luther M. Kuhns, Omaha, Neb.

Assistant general secretary—Harry Hodges, Philadelphia.

Treasurer—C. T. A. Anderson, Chicago.

Secretaries—Rev. C. K. Hunton, Salem, Va.; Rev. P. H. Roth, Beloit, Wis., and Rev. George H. Schnur, St. Paul.

**SPRINGFIELD  
JURY OUT IN  
GRAFT CASE**

**Strong Probability of Dis-  
agreement on Pem-  
berton-Clark.**

**DELIBERATES IN VAIN**

**State's Attorney Burke Says  
Better Let Six-Shooter  
Rule than Grafters.**

Springfield, Ill., Oct. 28.—The jury in the case of Pemberton and Clark was still out at noon today. The consensus of opinion around the court room this morning was it would be a hung jury. Closing arguments were made yesterday and the case went to the jury shortly before 4 o'clock. The trial was commenced Wednesday, Oct. 19.

**Better to "Gun Down."**

In closing, State's Attorney Edmund Burke said the people had come to a point where it was up to them to say whether they should live under a government of and by the people or be governed by the grafters.

"It is better that we revert to the frontier days of the six-shooter, when a man's ability to 'draw' quickly and shoot straight was the test of citizenship, than to live under a government where the man with the barrel rules," he said.

**Pemberton Breaks Down and Weeps.**

Attorney Emory Andrews of Mattoon and Hugh Graham and C. F. Mortimer of this city argued for the defense. Attorney Dawson, also speaking for the defense, characterized Senator Holstlaw, whose confession resulted in the indictment, as a "cringing, miserable, creeping creature, slinking in and out among his fellow men."

Senator Pemberton broke down and tears streamed down his cheeks as Andrews pictured the defendants as honorable men who had reached the turning point in their lives before the finger of suspicion had ever been pointed at them.

**NOT SUICIDE PACT,  
BUT PLAIN MURDER**

**Theory of the Police in the Case of  
Man Whose Wife Died in  
Hotel.**

Des Moines, Oct. 28.—The police today filed charges of murder in the first degree against John Ewing, Osceola, found unconscious in the same room in which his wife lay dead in a hotel Wednesday. Ewing claimed a suicide pact, but the police say they have evidence warranting them in accusing him of murdering his wife while pretending his own suicide.

**D. A. R. CLOSES MEET  
WITH LITTLE DISCORD**

**Mrs. Lawrence of Galesburg Endorsed as State Regent—Mrs. Scott Gains Support.**

Decatur, Ill., Oct. 28.—Mrs. Ella Park Lawrence of Galesburg was unanimously endorsed yesterday as state regent of the D. A. R., succeeding Mrs. John C. Ames of Streator. Chicago was chosen for the next convention, the last week of October, 1911. The other officers are:

State Vice Regent—Mrs. Lewis De-  
went of Kewanee.

Secretary—Mrs. Thomas C. White of  
Oak Park.

Treasurer—Mrs. John W. Rowell of  
Peoria.

State Historian—Mrs. E. L. Pegrum  
of Decatur.

Consulting Registrar—Mrs. Noble  
Shumway of Chicago.

Mrs. M. T. Scott of Bloomington was unanimously endorsed for reelection to the office of president general of the order. After Mrs. Scott had expressed her appreciation of the honor it was announced that the Nebraska chapter had recently given its endorsement to Mrs. Scott, and also the chapters of Michigan, Virginia and West Virginia.

**Violence Marks Strike.**

Jersey City, N. J., Oct. 28.—The express strike was marked today by several clashes between strike sympathizers and police and strikebreakers. Many persons were injured.

**UPRISING IN  
CUBA FEARED**

Havana, Cuba, Oct. 28.—Rumors of impending uprisings in Pinar Del Rio and Guantanamo are current. Last night troops were hurried to both points and additional reinforcements are going forward today.